



State of Rhode Island and Providence Plantations
Council on Postsecondary Education
OFFICE OF THE POSTSECONDARY COMMISSIONER

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Enclosure 7d
November 13, 2019

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To: Members of the Board of Education

From: Ronald Cavallaro, Acting Commissioner of Postsecondary Education

Date: November 13, 2019

Re: **Unrestricted and Restricted Budget Requests, Tuition and Fee Rates,
and Tables of Organization for FY 2020 and FY 2021 and
Recommendation to the Board of Education**

OVERVIEW

The summary budget package for the system of postsecondary education includes condensed FY 2021 unrestricted and restricted budget requests for the University of Rhode Island, RI State Crime Lab, Rhode Island College, the Community College of Rhode Island, and the Office of the Postsecondary Commissioner, as well as tuition and fee rate schedules. The package also includes the allocations and supplemental request for FY 2020 and the budget estimate for FY 2021, budget submission, as required by the State Budget Office. Accompanying cover letters from the Presidents and the Commissioner can be found at the end of the packet. Full budgetary details are available in individual packets for each institution.

COMPREHENSIVE FUNDING PLAN

To prepare Rhode Island for the workforce demands it will face within the next 5-10 years, Governor Raimondo has set an ambitious attainment goal that 70% of Rhode Islanders will have a postsecondary degree or certificate by 2025. Even with the important state reinvestments in recent years, additional revenue is needed to support higher completion rates, produce more graduates in high-demand/high-wage fields, eliminate persistent equity gaps, and ensure that Rhode Island remains competitive within the New England region and nationwide.

To address these funding needs, the Office of the Postsecondary Commissioner (OPC) has begun to develop a five-year, comprehensive funding plan. This plan will include proposals for performance-based funds, tuition and fee rates, and base funding. As with the Capital Improvement Plan (CIP), a five-year approach will promote longer-term alignment between state priorities and institutional operations and will enable greater predictability and stability of funding for both the institutions and the State.

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FY 2020 SUPPLEMENTAL REQUEST

The system-wide revised budget request for FY 2020 totals \$761.8 million (net of General Obligation debt of \$38.6 million). Each of the three institutions and the Office of the Postsecondary Commissioner are required to include these allocations within the budget request in order to update the estimates for enrollment and other related revenues, or to request additional funding due to an unforeseen change or circumstance in the business of the entity.

FY 2021 BUDGET REQUEST

The system's unrestricted budget request for FY 2021 totals \$793.8 million, an increase of \$32 million over the current year's revised budget. As presented to the Council, state appropriations of \$244.8 million (exclusive of General Obligation debt service of \$38.2 million) is being requested.

The restricted budget, including the RI Capital Fund, auxiliaries, sponsored research, and federal and financial aid, totals \$510.8 million.

ENROLLMENT

The institutions are projecting that they will enroll a total of 30,091 full-time equivalent (FTE) students in FY 2021.

FY 2021 BUDGET ESTIMATES

The FY 2021 budget estimates are based upon a fully funded FY 2020 revised request. In addition, estimates reflect personnel assumptions based upon State Budget Office guidelines, contractual obligations, and moderate inflation.

OVERVIEW OF THE UNIVERSITY OF RHODE ISLAND'S BUDGET SUBMISSION

FY 2020 Budget Allocation and Supplemental Request

The University is requesting a total unrestricted budget allocation of \$466 million for FY 2020 revised, which does not include any supplemental request. This budget would be supported by \$83.4 million in state appropriations (exclusive of \$30.5 million in General Obligation debt service), \$334.5 million in tuition revenue, and \$17.6 million in other institutional resources.

On the restricted side, the University is requesting an amount of \$375.4 million for non-state supported activities in FY 2020.

FY 2021 Request

The University is requesting a total unrestricted budget of \$482.2 million for FY 2021. This budget would be supported by \$89.2 million in state appropriations (exclusive of \$30.5 million in GO debt service), \$344.2 million in tuition revenue, and \$18.3 million in other institutional resources. This amount is \$16.2 million or 3.47% greater than the unrestricted budget for FY 2020.

On the restricted side, the University is requesting an amount of \$385.7 million for non-state supported activities in FY 2021.

Tuition and Fees

The University's projected tuition and fee revenue for FY 2021 is \$344.2 million, which represents an increase of \$9.7 million. These revenues are based upon an overall projected enrollment level with the current year.

The University is requesting approval for tuition and mandatory fee rates of \$12,922 for in-state undergraduates, which represents a tuition increase of \$332 and an increase of \$106 in mandatory fees, and \$32,578 for out-of-state undergraduates, which represents a tuition increase of \$786 and an increase of \$106 in mandatory fees. The University is also requesting increases in tuition and mandatory fee rates for graduate students.

Tables of Organization

Although the Council has the authority to set its own tables of organization, legislation limits the number of positions that may be filled. The number of enacted authorized full-time equivalent employees for the University in FY 2020 is 2555. For FY 2021, the University is requesting authorization for one additional FTE.

RHODE ISLAND STATE CRIME LABORATORY

During the 2011 legislative session, the funding for the Rhode Island State Crime Laboratory (RISCL) was moved to the public higher education budget appropriation. Separate budget request schedules are included in the URI budget packet, but the state appropriation for the RISCL is appropriated as a separate line item.

FY 2020 Budget Allocation and Supplemental Request

The State Crime Lab is requesting a total unrestricted budget allocation of \$1.3 million for FY 2020, which is \$46,210 more than the prior fiscal year.

FY 2021 Budget Request

The RISCL is requesting a total unrestricted budget of \$1.3 million for FY 2021. This budget would be fully supported by state appropriations. The FY 2021 state appropriation request is \$24,959 more than the current fiscal year.

OVERVIEW OF RHODE ISLAND COLLEGE'S BUDGET SUBMISSION

FY 2020 Budget Allocation and Supplemental Request

Rhode Island College is requesting a total unrestricted budget allocation of \$137.7 million for FY 2020, which does not include any supplemental request. This budget would be supported by \$51.8 million in state appropriations (exclusive of \$6.2 million in GO debt service), \$75.9 million in tuition revenue, and \$3.8 million in other institutional resources.

On the restricted side, the College is requesting a total of \$59.4 million for non-state supported activities in FY 2020.

FY 2021 Budget Request

Rhode Island College is requesting a total unrestricted budget of \$147.2 million for FY 2021. This budget would be supported by \$56.8 million in state appropriations, (exclusive of \$6.2 million in GO debt service), \$80.9 million in tuition revenues, and \$3.2 million in other institutional resources. This amount is \$9.4 million or 6.9 % greater than the FY 2020 revised budget.

On the restricted side of the budget, Rhode Island College is requesting a total of \$55.0 million for non-state supported activities in FY 2021. This restricted budget is \$4.3 million less than the restricted budget for FY 2020.

Tuition and Fees

The College's projected tuition and fee revenue for FY 2021 is \$80.9 million, which represents an increase of \$5.0 million. Enrollment is expected to decrease by 8 in-state FTEs and decrease by 1 out-of-state FTE.

For FY 2021, the College is proposing tuition and mandatory fees of \$10,260 for in-state students, which represents an increase in tuition and mandatory fees of \$681 over the FY 2020 level.

Tables of Organization

Although the Council has the authority to set its own tables of organization, legislation limits the number of positions that may be filled. The number of enacted authorized FTE employees for Rhode Island College in FY 2020 is 949.2 FTE employees. For FY 2021, the College is requesting authorization for 949.2 FTE employees.

OVERVIEW OF THE COMMUNITY COLLEGE OF RHODE ISLAND'S BUDGET SUBMISSION

FY 2020 Budget Allocation and Supplemental Request

The Community College is requesting a total unrestricted budget allocation of \$115 million for FY 2020 revised, which does not include any supplemental request. This budget would be supported by \$52 million in state appropriations (exclusive of \$1.9 million in GO debt service), \$56.4 million in tuition revenue, and \$5.1 million in other institutional resources.

On the restricted side, the College is requesting a total of \$51.7 million for non-state supported activities in FY 2020.

FY 2021 Budget Request

The Community College is requesting an unrestricted budget of \$119.5 million for FY 2021. This budget would be supported by \$54.4 million in state appropriations (exclusive of \$1.5 million in GO debt service), \$58.4 million in tuition revenue, and \$5.2 million in other institutional resources.

On the restricted side, the Community College is requesting a total of \$49.7 million for non-state supported activities in FY 2021, including RI Capital funds of \$7.5 million.

Tuition and Fees

The Community College's projected tuition and fee revenue for FY 2021 is \$58.4 million, which represents an increase of \$2.0 million over the current year's revised budget.

The tuition and mandatory fees are proposed at \$4,860 for in-state students, an increase of \$160, and \$12,938 for out-of-state students, an increase of \$394.

Student enrollment in FY 2021 is projected to be flat to FY 2020 enrollment.

Tables of Organization

Although the Council has the authority to set its own tables of organization, legislation limits the number of those positions that may be filled. The number of enacted authorized FTE employees for the Community College of Rhode Island in FY 2020 was 849.1. For FY 2021, the Community College is requesting authorization for 849.1 FTE positions.

THE OFFICE OF THE POSTSECONDARY COMMISSIONER

FY 2020 Budget Allocation and Supplemental Request

The Office of the Postsecondary Commissioner is requesting a total unrestricted budget allocation of \$16.9 million for FY 2020. This budget includes \$2.0 million for operations, and \$14.9 million for non-operating needs, which includes \$7.2 million for the RI Promise program at CCRI, \$2.2 million for Shepard Building parking, \$2.9 million for the administration of the RI Nursing Education Center, and legislative grants of \$.7 million, which are all pass-through dollars.

The Office is requesting a supplemental amount of \$389,175 in operating expenses for FY 20 due to the loss of revenue from the sale of the building, certain unforeseen expenditures not initially budgeted and a technical correction for benefits which were under budgeted.

The Office's restricted budget for FY 20 is estimated to be \$26.2 million and includes federal grants, as well as the Division of Higher Education Assistance, and the Westerly Education Center. In addition, this budget includes funding for Dual and Concurrent Enrollment programs and need based state grants funded through the Division of Higher Education Assistance.

FY 2021 Budget Request

A total of \$19.0 million is requested for the Office's unrestricted budget for FY 2021. This budget includes \$2.6 million for operations and \$16.4 for non-operating needs, including \$8.3 million for the RI Promise program at CCRI, \$2.2 million for Shepard Building parking, 3.2 million for the administration of the RI Nursing Education Center, and \$.85 million in legislative grants, which are all pass-through funds.

The Office's restricted budget for FY 2021 is projected at \$26.2 million and includes federal grants, as well as the Division of Higher Education Assistance and the Westerly Education Center. In addition, this budget includes funding for Dual and Concurrent Enrollment programs and need based state grants funded through the Division of Higher Education Assistance.

Table of Organization

Although the Council has the authority to set its own tables of organization, legislation limits the number of positions that may be filled. The number of enacted authorized FTE employees for OPC in FY 2020 is 31. For FY 2021, OPC is requesting authorization for 34 FTE positions.

Accordingly, I recommend:

THAT the Board of Education approve the Council on Postsecondary Education's recommendation regarding the public postsecondary education system's operating budget request for the FY 2021, as presented.

THAT the Board of Education approve the Council on Postsecondary Education's recommendation regarding the public postsecondary education system's tuition, mandatory fees, and auxiliary enterprise fees for the FY 2021 as presented, reserving the right to readjust tuition and fees as needed upon notification of the Governor's recommendation and, later, upon the action of the legislature.

THAT the Board of Education approve the Council on Postsecondary Education's recommendation regarding the public postsecondary education system's Tables of Organization for FY 2021 as presented.

THAT the Board of Education approve the Council on Postsecondary Education's recommendation regarding the public postsecondary education system's budget allocation for the FY 2020 as presented.